

Minutes of Board Meeting

August 15, 1960

The regular quarterly meeting of the Board of Regents of Western Kentucky State College was held in Room 1510 of the Kentucky Hotel in Louisville, Kentucky, on Monday, August 15, 1960, at 12 noon, CDST. Luncheon was served preceding the business session.

All members were present, namely, Mr. Wendell P. Butler, Chairman; Mr. H. Bemis Lawrence, Vice Chairman; Mr. Douglas Keen; Mr. Owen C. Hammons; Mr. Hugh Poland; Dr. W. Gerald Edds; and Mr. Maxey B. Harlin. Also present were President Kelly Thompson; Mr. Billy Smith, Business Manager; Mr. L. T. Smith, Physical Plant Administrator; Mr. Cornelius W. Grafton and Miss Lillian M. Fleischer, partners in the law firm of Grafton and Fleischer; Mr. P. M. Conway, representative of Graham-Conway, Investment Securities; Miss Georgia Bates, Secretary to President Thompson; and Miss Etta J. Runner, Secretary to the Board.

In the absence of the Chairman, whose arrival was unavoidably delayed, Mr. Lawrence called the meeting to order at 1:15 o'clock.

The minutes of the meeting of the Board held on May 18, 1960, were presented by the Vice Chairman. Mr. Keen moved, with a second by Mr. Hammons, that the minutes be adopted without a reading inasmuch as each member had previously received a copy. The motion carried unanimously.

A report on recent court action instituted by the Ogden Regent and Trustees in which the validity of the Ogden-Western 99-year lease was being tested, was presented by President Thompson. He advised that Mr. Parker Duncan, Special Judge of Warren Circuit Court, had ruled in a declaratory judgment on July 28 that the Ogden Regent and Trustees had full authority to enter into such a lease agreement and that the execution of the lease, which was valid in all respects, was approved by the Court. President Thompson expressed his appreciation to Mr. Harlin for his counsel and advice in this litigation. The President made reference to the \$1,300,000 contract that had been awarded to the Leo C. Miller Company, Inc., of Louisville for the construction of the science building, which is already under construction on the Ogden campus. He stated that the award price was much lower than had been anticipated by the College.

The next item of business was the presentation by President Thompson of a Resolution creating and establishing a consolidated educational buildings project of Western Kentucky State College. After preliminary remarks by Messrs. Grafton and Conway, Mr. Harlin introduced and caused to be read in full the following 'Basic' Resolution:

RESOLUTION

A RESOLUTION creating and establishing a Consolidated Educational Buildings Project of the Western Kentucky State College; creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Regents of the Western Kentucky State College; providing for the issuance from time to time of said bonds; providing for the payment of the principal of and interest on said bonds and repealing all resolutions or parts of resolutions in conflict with this resolution.

WHEREAS pursuant to Section 164.350 of the Kentucky Revised Statutes, the Board of Regents is a body corporate, with all powers generally vested in corporations, and as such is the governing body of the Western Kentucky State College, a public educational institution of higher learning of the Commonwealth of Kentucky, having full control of the management of said College, together with the property and funds thereof; and

WHEREAS pursuant to the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes, the Board of Regents, as governing body of the Western Kentucky State College, is authorized to erect buildings and appurtenances to be used in connection with the said institution for educational purposes; and

WHEREAS the Board of Regents has determined that the said College and its students are not at this time provided with adequate buildings for educational purposes and has determined that the need will arise from time to time for additional buildings and necessary appurtenances for educational purposes; and

WHEREAS the Board of Regents has determined that the erection of the aforesaid buildings and necessary appurtenances will require the borrowing of money and the issuance of revenue bonds payable solely from the revenues of the building or buildings so erected and the educational buildings heretofore constructed on the property of said College in Warren County, Kentucky; and

WHEREAS under the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes, the Board of

Regents is authorized to issue revenue bonds for the purpose of erecting educational buildings and the necessary appurtenances; and

WHEREAS the Board of Regents has determined that it is in the best interests of the College to create and establish an issue of revenue bonds to be issued for the aforesaid purposes from time to time as funds are required for such purposes, all such bonds to be payable from the revenues of the educational buildings so erected together with the revenues from all other educational buildings which may have heretofore been or may hereafter be erected upon the property of said College in Warren County, Kentucky in the manner hereinafter provided and to constitute a charge and lien on said revenues on a parity with all other bonds issued under the authority of this Resolution without preference or priority as between bonds of different dates of issue, maturities, Series or installments;

NOW, THEREFORE, the Board of Regents of the Western Kentucky State College hereby resolves as follows:

ARTICLE I - Definitions

Section 1.01. In each and every place in and throughout this Resolution wherein the following terms or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed, used and intended to have meanings as follows:

(a) "College" - the Western Kentucky State College, situated in Bowling Green, Warren County, Kentucky.

(b) "Board" - the Board of Regents of the Western Kentucky State College, as created and existing under the provisions of Section 164. 310 et seq. of the Kentucky Revised Statutes.

(c) "Trustee" - a bank or trust company or a combined bank and trust company created and existing under the laws of the Commonwealth of Kentucky, or a national banking association created and existing under the laws of the United States, having proper trust powers, and having its principal office and place of business in the City of Bowling Green, Warren

County, Kentucky, or in the City of Louisville, Jefferson County, Kentucky, or any successor Trustee to be designated pursuant to the provisions of this Resolution.

(d) "Paying Agents" - the Trustee, or any successor Trustee, as defined in the foregoing paragraph (c) and any other place or places of payment of principal of and interest on bonds as may be designated pursuant to the provisions of this Resolution.

(e) "Aggregate Principal, Interest and Bond Fund Charges" - as of any particular date of computation and with respect to a particular twelve month period, an amount of money equal to the aggregate of the amounts required by the provisions of the Resolution and all Series Resolutions to be paid into the Bond Fund in such twelve month period for account of the interest on all outstanding Bonds becoming due during such twelve month period and to accomplish the retirement of the principal of all outstanding Bonds at or prior to the maturity thereof.

(f) "Bonds" all "Consolidated Educational Buildings Revenue Bonds" of the Board of the issue established and created by the Resolution which are issued pursuant to a Series Resolution authorizing the issuance of a Series of Bonds.

(g) "Consolidated Educational Buildings Project" or "Project" - all educational buildings and necessary appurtenances heretofore erected and located on the property of the College in Warren County, Kentucky, and all educational buildings and necessary appurtenances hereafter erected upon such property from available funds of the Board or from the proceeds of the sale of the Bonds and excluding all housing buildings and facilities of the College, and all buildings and facilities exclusively for athletics, as distinguished from those which are, or may be, wholly or principally for physical education.

(h) "Enabling Act" - Sections 162.340, et seq., of the Kentucky Revised Statutes.

(i) "Operating Costs" - all costs and expenses paid or incurred by the Board in connection with the operation and maintenance of the Consolidated Educational Buildings Project including insurance.

(j) "Resolution" - this Resolution.

(k) "Revenues" - all revenues derived from the Consolidated Educational Buildings Project and which revenues are to be derived through the imposition and collection of a student registration fee from all students attending the College at Bowling Green, for the services furnished by the Consolidated Educational Buildings Project.

(l) "Series of Bonds" or "Bond of a Series" - the Series of Bonds authorized by a Series Resolution.

(m) "Series Resolution" 1 a resolution supplemental to the Resolution authorizing the issuance of a Series of Bonds.

(n) "Chairman" - the Chairman and each and every vice Chairman and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Chairman of the Board.

(o) "Secretary" - the Secretary and each and every Assistant Secretary and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Secretary of the Board.

(p) "Fiscal Year" - the Fiscal Year shall be the twelve (12) month period beginning July 1 of each year and ending June 30 of the following year.

(q) "Treasurer" - the Treasurer and each and every Assistant Treasurer and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Treasurer of the Board.

(r) "Engineer" - any licensed architect or engineer appointed by the Board, including any such architect or engineer in the employ of the Board or the College and so appointed.

Section 1.02. Words of the masculine gender shall be deemed and construed to include words of the feminine and neuter gender.

Section 1.03. The words "Bonds", "owner", and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate. The term "Bondholders" unless the context otherwise indicates means and contemplates the holders of Bonds at the time issued and outstanding pursuant to the Resolution.

ARTICLE II - Authorization and Issuance of Bonds.

Section 2.01. All educational buildings and necessary appurtenances located on the property of the College in Warren County, Kentucky as they presently exist and all educational buildings and necessary appurtenances hereafter erected upon such property from available funds of the Board or from the proceeds of sale of the Bonds authorized under the Resolution are hereby consolidated as a Consolidated Educational Buildings Project and so long as any of the Bonds are outstanding under the Resolution said Project shall be owned, operated and maintained on a consolidated basis for the security and source of payment of said bonds.

Section 2.02. Pursuant to the authority contained in the Enabling Act there is hereby established and created an issue of Bonds of the Board of Regents of the Western Kentucky State College to be known and designated as "Western Kentucky State College Consolidated Educational Buildings Revenue Bonds" which said Bonds may be issued as hereinafter provided without limitation as to amount except as provided in the Resolution. Said Bonds shall not constitute any indebtedness of the Western Kentucky State College, or its Board of Regents, of the Commonwealth of Kentucky, within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky but shall be payable solely from the Revenues. The Bonds shall constitute a paramount charge on the Revenues in the manner and to the extent hereinafter provided over and ahead of all bonds of any issue payable from said Revenues which may be hereafter created and established and over and ahead of all claims or obligations of any nature against the Revenues hereafter arising or hereafter incurred. All Bonds shall be equally and ratably secured without priority by reason of Series designation, number, date of Bonds, date of sale, execution, maturity or delivery, by a charge on the Revenues, all in accordance with the provisions of the Enabling Act and the Resolution.

Section 2.03. The issuance of said Bonds may be authorized by Series Resolution or Series Resolutions of the Board adopted subsequent hereto in one or more series. The Bonds of each Series shall, in addition to the title "Western Kentucky State College Consolidated Educational Buildings Revenue Bonds", contain an appropriate Series designation. Each Series Resolution authorizing the issuance of a Series of Bonds shall declare that said Bonds are authorized and issued under the Resolution and in conformity with Section 7.10 of the Resolution and shall also specify:

(1) the authorized principal amount of said Series of Bonds.

(2) the purposes for which the Bonds of such Series are being issued, which shall be only for the payment of the cost of erecting an educational building or buildings with necessary appurtenances and which building or buildings will become and constitute a part of the Consolidated Educational Buildings Project;

(3) the date, maturity dates and the interest payment dates of the Bonds of said Series;

(4) the interest rate or rates, or the manner of determining such rate or rates;

(5) the denominations and the manner of numbering the Bonds of such Series;

(6) the premiums, if any, to be paid upon the redemption of the Bonds of such Series and the terms and manner of such redemption, if and to the extent the Bonds are to be redeemable;

(7) The Trustee for the Bonds of such Series (which Trustee shall be appointed by the Series Resolution authorizing the initial Series of Bonds and the trusteeship confirmed in each subsequent Series Resolution);

(8) the place or places of payment of the principal of and interest on and redemption premium, if any, on the Bonds of such series;

(9) provisions for the sale of the Bonds of such Series;

(10) the form of the Bonds of such Series and of the coupons to be attached thereto and the form of the Trustee's authentication certificate; and

(11) any other provisions deemed advisable by the Board not in conflict with the provisions of the Resolution.

Section 2.04. Bonds of a Series shall mature on May 1 of each of the years in which any principal of said Series of Bonds is scheduled to become due and not more than forty (40) years from the date thereof, all as more fully set forth in the Series Resolution

authorizing the issuance of a Series of Bonds. Interest on all Bonds shall be payable semi-annually on May 1 and November 1 of each year beginning not more than six (6) months from the date of such Bonds. All Bonds of like maturity of any Series of Bonds shall be identical in all respects except as to numbers.

ARTICLE III - Terms and Provisions of Bonds.

Section 3.01. Bonds of each Series shall be executed on behalf of the Board by the signature of the Chairman and attested by the Secretary of the Board and the corporate seal of said Board shall be impressed or imprinted thereon, provided that in the Series Resolution provision may be made for the execution of said Bonds with the reproduced facsimile of the official signature of either, but not both, said Chairman or Secretary. The interest coupons attached to said Bonds shall be executed with the facsimile of the official signatures of said Chairman and said Secretary in office on the date of execution of the Bonds and Bonds and coupons so executed shall be valid and binding obligations notwithstanding that before the delivery thereof and payment therefor any and all persons whose signatures appear thereon shall have ceased to be such officers. All Bonds shall be payable as to interest, principal and premium, if any, in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts.

Section 3.02. Bonds of each Series shall be issued in the form of coupon bonds registrable as to principal only. The Bonds, except while registered as to principal otherwise than to bearer, shall pass by delivery. The registration of any Bond as to principal only shall not affect negotiability of the coupons thereto appertaining, which shall remain payable to bearer and pass by delivery. The Board, the Trustee, the Paying Agents and any other person may treat the bearer (or if such Bond be registered, the registered owner) of any Bond, the bearer of any Bond registered as payable to bearer, and the bearer of any coupon whether or not the Bond to which said coupon appertains is registered as to principal, as the absolute owner of such Bond or coupon, as the case may be, for the purpose of making payment thereof and for all other purposes, and neither the Board, the Trustee nor the Paying Agent shall be bound by any notice or knowledge to the contrary, whether such Bond or coupon shall be overdue or not.

All payments of or on account of interest to any bearer of any coupon and all payments of or on account of principal to any bearer (or if such Bond be registered, the registered owner, or to any bearer of any Bond registered to bearer) of any Bond, shall be valid as effectual and shall be a discharge of the Board, the Trustee and the Paying Agents, in respect of the liability upon the Bond or coupon or claim for interest, as the case may be, to the extent of the sum or sums so paid.

Section 3.03. The Board will cause to be kept at the principal office of the Trustee, as bond registrar of the Board at all times while any of the Bonds containing provisions for registration and transfer shall be outstanding and unpaid, books for the registration and transfer of such Bonds. Upon presentation at the office of the Registrar by any bearer or any Bond containing provisions for registration as to principal only, the Board will, under such reasonable regulations as (with the approval of the Registrar) it may prescribe from time to time, cause such Registrar to register in such books, in the name of the bearer or his nominee, the ownership as to principal only, of any such presented Bond, and such registration shall be noted on the Bond. After such registration and notation, no transfer of any such Bond registered otherwise than as to bearer shall be valid unless evidenced by a written instrument of transfer, in form satisfactory to the Registrar duly executed by the registered owner in person or by his duly authorized agent; but any such Bond so registered may be discharged from registration, and transferability by delivery thereof may be restored, by a like transfer to bearer similarly registered and noted, and after such transfer to bearer such Bond shall be a bearer Bond. Any such Bond containing provisions for registration may again, from time to time, in like manner, be registered as to principal only or be transferred to bearer.

Section 3.04. The Bonds and coupons may be presented for payment at the principal office of the Trustee or of any of the Paying Agents of the Board. All Bonds and interest coupons paid shall be cancelled by the Trustee or Paying Agents and such cancelled Bonds and interest coupons shall be promptly transmitted to the Treasurer by the Trustee or Paying Agents. The Treasurer shall cremate said Bonds and coupons and prepare and file with the Board appropriate cremation certificates.

The interest on and principal of all Bonds shall be payable at the principal office of the Trustee and at any one of the Paying Agents of the Board. Payment of the interest on the Bonds shall be made only upon presentation and surrender of the coupons representing such interest, as the same respectively become due and payable. The principal of all Bonds shall be payable upon the presentation and surrender thereof at the principal office of the Trustee or of any one of the Paying Agents of the Board.

Section 3.05. Only Bonds as shall bear thereon endorsed a certification of authentication executed by the Trustee, shall be secured by the Resolution or be entitled to any right or benefit hereunder. The authentication by the Trustee upon any Bond shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly issued under the Resolution and that the holder thereof is entitled to the benefit of the trust hereby created.

Section 3.06. Before authenticating any Bonds the Trustee shall cut off, cancel, and cremate all matured coupons, if any, thereon and the Trustee shall deliver to the Board a certificate of cremation thereof.

Section 3.07. Upon the receipt by the Board and the Trustee of evidence satisfactory to them of the loss, theft, destruction or mutilation of any outstanding Bond, and of indemnity satisfactory to them, and upon surrender and cancellation of such Bond if mutilated, the Board may execute and the Trustee may authenticate and deliver, upon the lapse of such period of time as they may deem advisable, a new Bond of like tenor and maturity bearing the same or different serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated Bond. The Board may require the payment of cost for each new Bond issued under this section, and the furnishing of indemnity satisfactory to the Board. The Trustee shall incur no liability for anything done by it under this section in the absence of negligence or fault.

ARTICLE IV - Creation of Funds and Payments Therefrom.

Section 4.01. There is hereby pledged to the payment of the principal of, interest on, and any premium upon the redemption of, the Bonds, the proceeds of the sale of the Bonds until expended for the authorized purpose, the Revenues received by the Board and all funds established by and in accordance with the provisions of the Resolution, including the investments, if any, of any of such funds, all in accordance with the terms and provisions of said Bonds and of the Resolution, and there is hereby created in favor of said Bonds, a paramount charge on all of said Revenues

over and ahead of all other bonds not contemplated by the Resolution payable from said Revenues which may be hereafter issued, and over and ahead of all claims or obligations of any nature against said Revenues hereafter arising or hereafter incurred. The Board covenants and agrees that the foregoing pledge shall be valid and binding from and after the date of the issuance, sale and delivery of any Bonds issued pursuant to the Resolution, and all such money and securities hereby pledged shall then be subject to the lien of this pledge without any physical delivery thereof, or any further action by the Board.

Section 4.02. It is hereby represented, covenanted and agreed that the Western Kentucky State College with the approval of the Council on Public Higher Education, has heretofore established, and so long as any of the Bonds are outstanding will continue to fix, impose, charge and collect for the services of said Consolidated Educational Buildings Project a student registration fee from all students attending the Western Kentucky State College. The initial schedule of such minimum student registration fees is as follows:

	<u>PRESENTLY EFFECTIVE</u>	<u>EFFECTIVE SEPTEMBER 1, 1961</u>
Semester Registration Fees for Resident Students	\$45.00	\$ 55.00
Semester Registration Fees for Non-Resident Students	90.00	110.00
Summer School Registration Fees for Resident Students	22.50	27.50
Summer School Registration Fees for Non-Resident Students	45.00	55.00

It is hereby recognized that the College presently has outstanding (or has made commitments for, and proposes to issue) certain bonds which are, or will be designated and issued under Trust Indentures, as follows:

<u>DESIGNATION</u>	<u>DATE OF BONDS</u>	<u>DATE OF TRUST INDENTURE</u>
(A) Issued and outstanding:		
Dormitory Revenue Bonds of 1958	April 1, 1958	April 1, 1958
Dormitory Revenue Bonds of 1959	July 1, 1959	July 1, 1959
(B) Committed for, and to be issued:		
Dormitory Bonds of 1960	July 1, 1960	July 1, 1960

which by their terms and by the terms of the respective Trust Indentures pursuant to which said bonds have been,

or will be issued, have an existing pledge, or are committed to be given a pledge when issued, of a portion of the student registration fees paid by those students occupying the particular facility for account of which said bonds were, or will be, issued.

Subject only to said previous pledge the student registration fees as the same shall be revised from time to time as herein identified shall constitute the Revenues of the Consolidated Educational Buildings Project, and shall be collected as of the commencement of each semester of the regular college year and at the commencement of the regular summer session and as collected shall be set apart and paid into the Revenue Fund hereinafter created.

Section 4.03. The Board covenants and agrees that, upon the issuance and delivery of any Bonds pursuant to the Resolution, all Revenues theretofore or thereafter held or collected by the Board and derived from the Consolidated Educational Buildings Project, or received by the Treasurer therefrom, shall be deposited as collected in the Revenue Fund hereinafter created to be held and administered by the Treasurer. Moneys and securities from time to time in the Revenue Fund shall be trust funds of the Board for the uses and purposes provided in the Resolution and in the Series Resolution adopted pursuant to the provisions hereof, and shall be paid out and applied for the uses and purposes for which said moneys are pledged by the provisions of the Resolution.

Section 4.04. From and after the issuance of any Bonds pursuant to the Resolution all Revenues from the Consolidated Educational Buildings Project shall be deposited to the credit of a special fund to be known as the "Consolidated Educational Buildings Project Revenue Fund" (hereinafter referred to as the "Revenue Fund") which Revenue Fund is hereby created. Such Revenue Fund shall be held in the custody of the Treasurer of the Board, separate and apart from other funds. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding as a trust fund in one or more banks which shall be members of the Federal Deposit Insurance Corporation and shall be expenses and used by the Treasurer only in the manner and order hereinafter specified.

Section 4.05. There is hereby created a separate account called the "Consolidated Educational Buildings Project Bond And Interest Sinking Fund" (hereinafter referred to as the "Bond Fund"). The Bond Fund shall be established and maintained by and in the custody of the Trustee, and maintained by it so long as any of the Bonds are outstanding.

Such Bond Fund shall be used by the Trustee to pay on the Bonds as it becomes due from time to time, and to pay and retire the Bonds as they mature, or as otherwise herein provided.

In connection with the establishment and maintenance of the Bond Fund, the Board covenants and agrees as follows:

(1) There will be deposited in the Bond Fund the accrued interest, if any, received at the time or times of the sale or sales of the Bonds, together with such further sum from the Bond proceeds as may be determined by the Board in the Series Resolution as necessary to provide for the payment of the interest on the Bonds for a period not in excess of three years from the date of the issuance thereof.

(2) That from and after the issuance of any of the Bonds and thereafter commencing on May 1 of each year the Treasurer shall transfer from the Revenue Fund and deposit to the credit of the Bond Fund all the Revenues as and when the same are received and deposited in the Revenue Fund until there has been so deposited and paid into the Bond Fund an amount equal to the total interest and principal becoming due on or prior to the next succeeding May 1 on all Bonds outstanding, and if by reason of a disproportionate amount of principal being scheduled to become due on May 1 of any year provision is made in the pertinent Series Resolution authorizing such Series of Bonds for payments into said Bond Fund in addition to current interest and principal requirements then the amount of such additional payments shall also be transferred from the Revenue Fund and deposited to the credit of the Bond Fund as so specified in such Series Resolution.

Provided, further, that for the purpose of creating and maintaining a reserve in said Bond Fund equal to the maximum Aggregate Principal, Interest and Bond Fund Charges the amounts to be so set aside into said Bond Fund shall be 125% of the amounts otherwise herein provided to be paid into said Bond Fund until such reserve is so accumulated, and thereafter the same shall be resumed and continued whenever and so long as required to restore and maintain such reserve.

(3) The amount by which such payments exceed the Aggregate Principal, Interest and Bond Fund Charges in any particular twelve month period shall be held in said Bond Fund as a reserve, and unless all Bonds payable from said Bond Fund at the time outstanding are to be then retired only such part of said Bond Fund may be used

to purchase or redeem Bonds in advance of maturity as may be in excess of the Aggregate Principal, Interest and Bond Fund Charges and the prescribed reserve. Any such purchase of Bonds prior to maturity shall be made at the lowest prices (not exceeding their current fair market value to be determined by the Trustee nor the terms for redemption thereof) following advertisement for tenders, but if insufficient acceptable tenders are received the remaining excess may be applied to the calling and redemption of Bonds in the manner as specified in the Resolution and in accordance with the terms as specified in the Bonds. All Bonds so purchased or redeemed shall be cancelled.

Section 4.06. At least thirty days prior to each interest payment date, the Trustee shall set aside from the Bond Fund funds sufficient to pay all Bonds and interest coupons maturing on such interest payment date and the Trustee shall make such arrangements with said Paying Agents as to secure the prompt payment of maturing Bonds and coupons, if any, as are there presented. The Trustee shall make similar arrangements in the event of redemption of any Bonds. All such arrangements shall include provisions for the payment to the Paying Agents of their reasonable fees and charges for their services in paying and cancelling Bonds and coupons, if any, in order that the persons entitled to receive payment therefor may receive the full amount due and payable without deduction of any sum for the compensation of the Paying Agents.

Section 4.07. Whenever all required payments from the Revenue Fund into the Bond Fund have been made in any particular twelve month period ending May 1 and there remains a balance in the said Revenue Fund the moneys remaining in said Revenue Fund may be used by the Board to pay the Operating Costs of the Consolidated Educational Buildings Project to the extent the same are not otherwise provided or such moneys may be used for any other lawful purpose including the purchase or retirement of Bonds in advance of maturity.

Section 4.08. Whenever and so long as the assets of the Bond Fund shall be sufficient in the aggregate to provide moneys to pay all Bonds then outstanding including such interest thereon as may thereafter become due and payable and any premiums upon redemption thereof, no further payments need be made into the Bond Fund.

The Bond Fund shall be drawn upon for the sole purpose of paying the principal, interest and redemption premium on the Bonds. Money set aside from time to time by the Trustee for such principal, interest and redemption premium shall be held in trust for the holders of the Bonds and appurtenant coupons with respect

of which the same shall have been so set aside. Until so set aside for the payment of principal, interest or redemption premium as aforesaid, all moneys in the Bond Fund shall be held in trust for the benefit of the holders of all Bonds at the time outstanding equally and ratably and without preference or distinction as between Bonds of a different Series, installments, or maturities.

Section 4.09. The proceeds derived from time to time from the sale of Bonds shall be deposited by the Treasurer in the Bond Proceeds Series-Construction Account, which is hereby created, with the exception of any amounts received upon the delivery of such Bonds in payment of accrued interest thereon, which amounts shall be deposited in the Bond Fund. The proceeds of such Bonds shall be expended for the purpose of erecting educational building or buildings as a part of the Consolidated Educational Buildings Project, including such engineering, accounting, legal and fiscal expenses incurred or paid in connection with the issuance of the Bonds and interest on the Bonds during the erection of the educational building or buildings for account of which the Bonds were issued in such amount as may be determined necessary by the Board and not in excess of interest for three years from the date of issuance of such Bonds.

Section 4.10. The Bond Proceeds Series-Construction Account shall be maintained in the State Treasury of the Commonwealth of Kentucky and the Treasurer of the College shall transmit to the Treasurer of the Commonwealth the deposit provided to be made therein by Section 4.09; and after making such deposit the Treasurer of the College shall have no further responsibility in connection therewith. Disbursements from said account shall be made solely for defraying the costs of erecting buildings and appurtenances which will become parts of the Educational Buildings Project and in accordance with inspection, audit and disbursement procedures from time to time provided by law. Moneys therein not required for immediate disbursement for the purposes of said account may be invested and reinvested solely in bonds or interest bearing notes of the United States Government maturing or being subject to redemption at the option of the holder not later than two years of the date of such investment.

Moneys in the other funds and accounts established pursuant to the Resolution and not required for immediate disbursement for the purposes for which said funds and accounts are created may be invested and reinvested by the Treasurer or the Trustee as the case may be with the approval of the Board, solely in bonds or

interest bearing noted of the United States Government maturing or being subject to redemption at the option of the holder not later than two years from the date of such investment.

The interest and realized income from the investment of moneys in any fund or account shall be added to and become a part of the fund or account out of which the investment was made. The expenses of purchase, safekeeping, sale and redemption and all other expenses and losses incident to said investments shall be charged to the fund or account out of which the investment was made.

ARTICLE V - Concerning the Trustee and Paying Agents.

Section 5.01. In the Series Resolution authorizing the issuance of the initial Series of Bonds the Board shall appoint a Trustee and so long as any Bonds are outstanding under the Resolution the Trustee so appointed or a successor Trustee appointed in the manner as hereinafter provided shall be the Trustee under the Resolution.

Section 5.02. The Board shall appoint one or more Paying Agents for the Bonds of a Series in the Series Resolution authorizing the issuance of such Bonds. The Trustee shall serve as Paying Agent for Bonds in addition to performing the duties of Trustee.

Section 5.03. Except as otherwise expressly provided in the Resolution, any request, consent, demand, notice, order, appointment or other direction made or given by the Board to the Trustee or to the Paying Agents shall be deemed to have been sufficiently made or given by the proper party or parties if executed on behalf of the Board by the Chairman or Secretary of said Board, and the Trustee and any Paying Agent may conclusively rely as to the correctness of the statements, conclusions and opinions expressed therein upon any certificate, report, opinion or other document furnished to the Trustee and any Paying Agent pursuant to any provision of the Resolution.

Section 5.04. A certified copy of the Resolution shall be filed with the Trustee appointed by the Board by Series Resolution authorizing the issuance of the initial Series of Bonds, and acceptance by the Trustee of the trusts hereby created in accordance with the terms and conditions set out will be conclusively presumed and evidenced by execution of the authentication certificate to be endorsed upon the Bonds. The Trustee shall have no responsibility with respect to the validity of said Bonds or the legal

sufficiency of the proceedings for their issuance. It shall be no duty of the Trustee, except as otherwise herein provided, to see that any duties herein imposed upon the Board or covenants or agreements herein contained on behalf of the Board are performed. All compensation to the Trustee for services leading up to and including authentication of the Bonds may be paid from the proceeds of said Bonds. Compensation for any service thereafter rendered by the Trustee shall be deemed to constitute an item of Operating Costs of the Consolidated Educational Buildings Project.

The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds with like effect as if it were not such Trustee.

Section 5.05. The Trustee may resign and thereby become discharged from the trusts hereby created by notice in writing given to the Board and published at least once in a newspaper or financial journal of general circulation in each of the Cities of Louisville, Kentucky, and New York, New York, at least thirty (30) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee, if such new Trustee be appointed and qualified before the time limited by such notice. The Trustee may be removed at any time by an instrument in writing signed by the holders of not less than the majority of the principal amount of the Bonds then outstanding.

In case at any time the Trustee shall resign, be removed, be dissolved, or otherwise become incapable of acting, or the offices of the Trustee shall be taken over by any governmental official or board, or if the position of the Trustee shall become vacant for any reason, a successor shall be appointed by the Board and unless such appointment be made within ten (10) days after the vacancy shall have occurred, the holders of a majority in principal amount of the Bonds then outstanding may make such appointment by an instrument in writing signed by any such Bondholders and filed with the Board. Any Trustee originally appointed or thereafter appointed shall be a trust company or bank having trust powers, authorized to and doing business from a principal office in Bowling Green or Louisville, Kentucky. The Board shall publish notice of any such appointment by it made once each week for four consecutive weeks in a newspaper or financial journal of general circulation in each of the Cities of Louisville, Kentucky, and New York, New York.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Board an instrument in writing accepting

such appointment hereunder and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Board, or of its successor, execute and deliver any instrument transferring to such successor Trustee, all the rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities, moneys, documents and records held by it to its successor, provided, however, that before any such delivery, is required or made, all fees and expenses of such predecessor shall be paid in full. Should any instrument in writing from the Board be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, powers, and duties hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will on request be executed, acknowledged and delivered by the Board.

ARTICLE VI - Redemption of Bonds

Section 6.01. Any Series Resolution may provide that the Bonds authorized thereby may be subject to redemption prior to maturity in the manner and upon the terms and conditions specified in such Series Resolution at such time and upon the payment of such premiums, if any, as shall be therein provided, and upon compliance with the terms contained in the Resolution.

Section 6.02. Any Series Resolution providing for the issuance of a Series of Bonds which are redeemable prior to maturity in part shall also provide the method of determining the serial numbers of the particular Bonds within a maturity to be redeemed.

Section 6.03. Notice of any such redemption shall be given by the Board by publication of a notice, which notice shall specify the title, series, maturities and numbers, or other distinguishing marks of such Bonds to be redeemed in the event of redemption of part only of a Series of Bonds, the redemption date and the place or places where the amount due upon such redemption will be payable. Such notice shall further state that upon the date fixed for redemption there shall become due and payable upon each Bond to be redeemed the principal amount thereof plus the premium, if any, due upon the said redemption date together with the interest accrued to the redemption date, and that from and after the redemption date interest thereon shall cease to accrue and become payable. Such notice shall be published at least once

not less than thirty (30) days prior to the redemption date in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York. The Board shall give written notice to the Trustee of its election to redeem Bonds at least forty-five (45) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. Whenever notice of redemption has been duly given as herein provided, the Trustee shall, not later than five (5) days prior to the date fixed for redemption in such notice make such arrangements with the Paying Agent or Paying Agents for the Bonds to be redeemed to secure the prompt redemption of all Bonds to be redeemed, if any, as are there presented.

Section 6.04. Notice having been given by publication in the manner provided in Section 6.03 the Bonds so called for redemption shall become due and payable on the redemption date designated in such notice, upon presentation and surrender thereof at the offices of the Trustee and Paying Agents specified in such notice, together with appurtenant coupons maturing subsequent to the redemption date. If moneys for the redemption of all the Bonds to be redeemed on any redemption date, together with the interest to the redemption date shall be held by the Trustee so as to be available therefor on the date fixed for redemption thereof, and if notice of redemption of such Bonds shall have been published as provided in this Article, then from and after the redemption date, interest on the Bonds so called for redemption shall cease to accrue and become payable, and the coupons for interest pertaining thereto maturing subsequent to the redemption date shall be void, and all Bonds so called for redemption shall be payable solely from moneys set aside for the payment thereof by the Trustee and said Bonds shall no longer be secured by the charge on and pledge of the Revenues of the Consolidated Educational Buildings Project created by the Resolution. If moneys shall not be available on the redemption date specified for the payment of any Bonds for the payment of such Bonds as shall have been called for redemption, such Bonds shall continue to bear interest until paid at such rate as they would have borne had they not been called for redemption, and shall continue to be secured by the charge on and pledge of the Revenues herein created for the security and payment thereof.

ARTICLE VII - Covenants to Secure Bonds.

Section 7.01. The Board covenants and agrees that it will establish, maintain and collect, so long as any Bonds are outstanding under the Resolution, such student registration fees for the services of the Project as may be necessary (1) to pay the interest on and prin-

cipal of the Bonds as they respectively mature, to provide reserves therefor and (2) to pay the Operating Costs of the Project to the extent the same are not otherwise provided.

In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in Revenues the Board hereby covenants and agrees to establish, maintain and collect such student registration fees for the services of the Project as will produce Revenues in each twelve month period ending May 1 equal to at least 110% of the current Aggregate Principal, Interest and Bond Fund Charges.

The Board further covenants and agrees that while any of the Bonds are outstanding, it will, except as provided in Section 4.07, pay the current Operating Costs of the Project from available funds other than the Revenues derived from the Project.

Section 7.02. The Board covenants and agrees that it will not suffer or permit any default to occur under the Resolution, but will faithfully observe and perform all of the conditions, covenants and requirements hereof obligatory upon it.

Section 7.03. The Board covenants and agrees that it will duly and punctually pay or cause to be paid the principal sum, and the interest accruing on said principal, on each and every one of the Bonds issued under the Resolution, at the dates and places and in the manner provided in said Bonds and in the coupons thereunto appertaining, according to the terms thereof and of the Resolution; and that so long as any of the Bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any Bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Board, then, anything in the Resolution contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from the Resolution, except after the prior payment in full of the principal of all Bonds issued under the Resolution and of such interest coupons and claims for interest as shall not have been so extended.

Section 7.04. The Board shall procure and maintain, so long as any of the Bonds are outstanding and to the extent available fire and extended coverage insurance on the Project in amounts sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed eighty (80%) per centum of the full insurable value of the Project. Such insurance shall be in reputable insurance companies, or, at the option of the Board, may be procured and maintained through the State Fire and Tornado Insurance Fund of the Commonwealth of Kentucky in reputable insurance companies, loss, if any to be made payable to the Trustee as its interests may appear. From and after the issuance of any Bonds the Board will within four (4) months after the close of each calendar year, furnish to the Trustee a statement in writing, signed by an officer of the Board, setting forth the full insurable value of the Project and describing all insurance then in force. The Trustee may, at its option, require the Board to deposit with it any or all such insurance policies, and shall require such deposit if any event of default occurs. If the total received by the Trustee upon all policies shall in the case of one loss be less than the sum of Ten Thousand (\$10,000) Dollars, the amount shall be paid to the Board by the Trustee, to be used by the Board to pay for replacement or repairs or substitutes for the damaged or destroyed property, but the Trustee shall not be obligated to see to the application thereof. In all other cases, the proceeds of any and all insurance on the Project which may be received by the Trustee shall be applied by the Trustee as hereinafter provided.

All insurance moneys (except property insurance in amounts of less than Ten Thousand (\$10,000) Dollars above provided to be paid over to the Board) received by the Trustee under the provisions of this Section shall be held by the Trustee as substituted security, and the same shall be by the Trustee paid out from time to time upon written order of the Board, signed by the Chairman and Secretary, and accompanied by an approving certificate of an architect or engineer, for the purpose of paying the reasonable costs of repairing or replacing parts or all of the property damaged or destroyed or the reasonable costs of substitute facilities; provided, however, that the Board shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs, replacements or substitute facilities and said insurance moneys shall be paid out by the Trustee only when the same shall be fully sufficient to complete such repairs, replacements or substitute facilities as shown by said certificate of an architect or engineer. Every such order of the Board for the pay-

ment of insurance moneys shall state that the Board is not in default under any of the terms and provisions of the Resolution. The Trustee shall be fully protected in paying any such cash to or upon the order of the Board upon receipt of the showings above specified; but the Trustee shall have the right, but shall not be obligated, to require the Board to furnish such additional evidence in the premises as the Trustee may deem necessary in order to establish the right of the Board to the withdrawal of any such moneys. In the event insurance proceeds shall remain after the completion of such repairs, replacements or substitute facilities or in the event of a failure to repair or replace the property damaged or destroyed or to construct substitute facilities then the Trustee shall deposit such moneys in the Bond Fund provided for by Article IV hereof, and such moneys shall be applied to the retirement of Bonds.

Section 7.05. Unless provision is otherwise made by law for disposition by the Commonwealth of claims made against the College for bodily injury and/or death which may arise from the operations of the Board, including any use or occupancy of its grounds, structures and vehicles, the Board covenants and agrees that so long as any of the Bonds are outstanding, the Board will, if such insurance is not already in force, procure and maintain public liability insurance, with limits of not less than Fifty Thousand (\$50,000) Dollars for one person, and One Hundred Thousand (\$100,000) Dollars for more than one person involved in one accident, to protect the Board from claims for bodily injury and/or death which may arise from the operations of the Board, including any use or occupancy of its grounds, structures and vehicles.

Section 7.06. The Board covenants and agrees that it will at all times maintain, preserve and keep the Project and every part thereof in good condition, repair and working order, and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of and pertaining to the Project and every part thereof shall at all times be conducted efficiently, properly and advantageously; and whenever any portion of the Project shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Board will procure and install substitutes of at least equal value, utility and efficiency, so that the value and efficiency of the Project shall at all times be fully maintained; and the Board will set apart, use and apply for the foregoing purposes so much of the Revenues of the Project as may be required, subject to the payments provided for in Article IV hereof.

Section 7.07. The Board covenants and agrees that it will not issue, or permit to be issued, any Bonds under the Resolution other than in accordance with the provisions of the Resolution and the agreements in that behalf herein contained, and that it will faithfully observe and perform all conditions, covenants and requirements of the Resolution and of all Series Resolutions supplemental thereto.

Section 7.08. While any of the Bonds are outstanding the principal office of the Trustee shall be conclusively deemed to be the office or agency of the Board where notices, presentations and demands to or upon the Board in respect of the Resolution or any Series Resolution, or of such Bonds or coupons may be given or made; and the Board hereby appoints the Trustee its agent on its behalf to receive all such notices, presentations and demands.

Section 7.09. The Board covenants that it will keep accurate financial records and proper books relating to the Project, and such records and books shall be open to inspection by the Bondholders and their agents and representatives. It further covenants that not later than ninety (90) days after the close of each Fiscal year it will furnish to the Trustee, and to any Bondholder who shall request the same in writing, copies of audit reports prepared by an independent certified public accountant, or a firm independent certified public accountants, who shall be satisfactory to the Trustee, or by an appropriate State auditing official, reflecting in reasonable detail the financial condition and record of operation of the College, the Project, and the pledged Revenues during the preceding Fiscal Year.

Section 7.10. The Board will not hereafter create or permit the creation of or issue any bonds or other obligations which will rank on a parity with or have a priority over the charge on the Revenues or the payments to be made into the Bond Fund herein created, except that additional Series of Bonds may be issued from time to time pursuant to a Series Resolution subsequent to the issuance of the initial Series of Bonds on a parity with the Bonds of such initial Series of Bonds and secured by an equal charge on such Revenues in such principal amount as may be required to defray the cost of erecting other educational building or buildings and necessary appurtenances as a part of the Project. Additional Bonds ranking on a parity with the Series of Bonds initially issued may be issued hereunder only for the purpose of erecting additional education building or buildings and necessary appurtenances, provided:

(1) That there is at the time of the issuance of such additional Bonds no deficiency in amounts required by the Resolution or any Series Resolution to be paid into the Bond Fund; and

(2) That the average of the annual Revenues from the Project for the two Fiscal Years immediately preceding the issuance of said additional Bonds as indicated in a statement by the Treasurer to be filed with the Trustee was equal to not less than 1.25 times the maximum Aggregate Principal, Interest and Bond Fund Charges in any succeeding twelve month period ending May 1 on the Bonds then outstanding and the additional Bonds proposed to be issued. For the purposes of such computation the Treasurer shall make an adjustment in the amount of the annual Revenues to reflect any increase or decrease in the student registration fees being imposed at the time for the services of said Project. In the event any additional Series of Bonds is to be issued hereunder at a time prior to the elapse of two Fiscal Years immediately following the issuance of the initial Series of Bonds the Treasurer for the purpose of the foregoing computation may use the income derived by the College during the two Fiscal Years immediately preceding the issuance of such additional Series of Bonds from the source herein established for the Revenues of the Project and the amount so determined by the Treasurer as indicated in his statement to be filed with the Trustee shall be deemed to be the average of the annual Revenues from the Project for the two Fiscal Years immediately preceding the issuance of such additional Series of Bonds.

Anything in this Section 7.10 to the contrary notwithstanding the Board may issue Bonds on a par with Bonds previously issued for the purpose of refunding all or any part of the Bonds of one or more Series as may be outstanding as of the maturity thereof or at any time prior thereto either through the exercise of an option for redemption or by an agreement with the holders of the Bonds to be refunded, provided, however, such refunding Bonds issued prior to maturity of the refunded Bonds shall not result in an increase in the interest rate nor in an acceleration of the maturity date or dates of the refunded Bonds.

ARTICLE VIII - Series Resolutions and Supplemental Resolutions.

Section 8.01. The Board may adopt at any time and from time to time Series Resolutions or resolutions supplemental hereto for any one or more of the following purposes, and any such Series Resolutions or resolutions supplemental hereto shall become effective in accordance with its terms upon the filing of a certified copy thereof with the Trustee, to wit:

(1) To provide for the issuance of a Series of Bonds and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;

(2) To add additional covenants and agreements of the Board for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Board contained in the Resolution;

(3) To prescribe further limitations and restrictions upon the issuance of Bonds by the Board payable from the Revenues of the Project and which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(4) To surrender any right, power, or privilege reserved to or conferred upon the Board by the terms of the Resolution;

(5) To confirm as further assurance any pledge under the provisions of the Resolution of the Revenues or of any moneys, securities or funds; or

(6) Upon recommendation of or approval by the Trustee to cure any ambiguity or defect or inconsistent provision in the Resolution or to insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable in the event any such modifications are not contrary to or inconsistent with the Resolution as theretofore in effect.

Section 8.02. The provisions of the Resolution shall constitute a contract between the Board and the Trustee and the holders of the Bonds as may be outstanding from time to time under the Resolution; provided that modifications, alterations and amendments of the Resolution and of the rights and obligations of the Board and of the holders of said Bonds as may be outstanding may be made as in this Section provided.

In the event that it shall appear desirable and to the advantage to both the Board and the holders of said Bonds, the Board may adopt a resolution modifying, altering, or amending the Resolution, but providing therein that the same shall not become effective unless and until it has had the approval of the holders of the Bonds as hereinafter set out. Immediately upon the adoption of such resolution the Board shall set a time and place for and call a meeting of the holders of the

Bonds to be held at a designated place in the City of Bowling Green, Kentucky, or in the City of Louisville, Kentucky. Written notice of any such meeting stating the place and time thereof and in general terms the matter to be submitted, shall be mailed not less than thirty (30) days before such meeting;

(a) to each owner of Bonds registered as to principal then outstanding, addressed to him at his address appearing on the registration books;

(b) to each known holder of all other Bonds then outstanding, addressed to him as his name and address appear from the most recent information; and

(c) to the Trustee;

and shall be published at least once in each of two successive calendar weeks immediately preceding the week which includes the date fixed for such meeting in a newspaper or financial journal of general circulation in each of the Cities of Louisville, Kentucky, and New York, New York. All holders of Bonds outstanding at the time of such meeting shall be entitled to vote thereat, and such attendance may be in person or by proxy. Each person seeking to attend or vote at any such meeting must, if required, produce such proof of ownership of Bonds or of personal identity as shall be satisfactory to the inspectors of votes. Every proxy shall be signed by the holder of the Bonds or by his duly authorized attorney and shall be witnessed, and its genuineness if questioned shall be established to the satisfaction of the inspectors of votes. The holders of the Bonds and the holders of proxies present, shall by a majority vote, irrespective of the amount of their holdings, select two persons from those present to act as chairman and secretary, respectively, of the meeting, and also select two other persons from those present to act as inspectors of votes, who shall count all votes cast at such meeting and who shall make and file with the secretary of the meeting their verified written report in duplicate of all such votes so cast at said meeting.

The holders (or persons entitled to vote the same) of not less than seventy-five per cent (75%) in principal amount of Bonds entitled to be voted at such meeting must be present at such meeting in person or by proxy in order to constitute a quorum for the transaction of business, less than a quorum, however, having the power to adjourn.

At such meeting there shall be submitted to the holders of the Bonds for their approval the resolution theretofore adopted proposing the modification, alteration or amendment.

Any such modification or alteration or amendment of the Resolution or of any rights and obligations of the Board, or of the holders of the Bonds in any particular may be approved at a meeting duly convened and held in accordance with the provisions of this Section, but only by a resolution duly adopted by the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of seventy-five per cent (75%) or more in aggregate principal amount of the Bonds outstanding when such meeting is held; provided, however, that no such modification, alteration, or amendment shall be made which will permit (a) an extension of time of payment at maturity of the principal of or payment of the interest on any Bond, or a reduction in the rate of interest thereon without written consent of the holder of such Bond, or (b) reduce the percentage of holders of Bonds required by the provisions of this Section for the taking of any action under this Section, and provided further that no such modification, alteration, or amendment herein authorized which in the opinion of the Trustee, affects the rights, duties or immunities of the Trustee under the Resolution may be made without the consent of the Trustee.

A record of the proceedings of each such meeting shall be prepared by the secretary of the meeting and shall have attached thereto the original counterparts of the reports of the inspectors of votes and affidavits by one or more persons having knowledge of the facts, setting forth a copy of the notice of the meeting and a copy of the record of any adjournment thereof, and showing that said notices were duly given as herein provided. Such records shall be signed and verified and one duplicate thereof shall be filed with the secretary of the Board and the other shall be filed with the Trustee for preservation by the Trustee, and thereupon the proposed modifications, alterations and amendments, aforesaid, shall become effective, but otherwise shall be null and void.

ARTICLE IX - Defaults; Remedies.

Section 9.01. That for the protection of the holders of the Bonds secured by the Resolution and the interest coupons thereto attached a statutory mortgage lien upon said Project and all properties connected therewith and belonging thereto is granted and created

by Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien is hereby recognized and declared to be valid and binding as provided by law, and shall take effect immediately upon the delivery of any of said Bonds. The Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) of the principal amount of the Bonds then outstanding, shall, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties required by law, including the charge, collection and accounting of sufficient student registration fees and the segregation and application of the Revenues as provided by the Resolution.

Section 9.02. Each of the following events is hereby declared an "event of default," that is to say: If

(a) payment of the principal of any of the Bonds shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) payment of any installment of interest shall not be made when the same shall become due and payable or within thirty (30) days thereafter; or

(c) The Board shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(d) any buildings representing a part of the Project shall be destroyed or damaged and shall not be promptly repaired, replaced or reconstructed or substitute facilities afforded (whether such failure promptly to repair, replace or reconstruct such buildings or to afford substitute facilities be due to the impracticability of such repair, replacement or reconstruction or the construction of such substitute facilities or to lack of funds therefor or for any other reason) and the insurance proceeds shall not be deposited in the Bond Fund; or

(e) an order or decree shall be entered, with the consent of acquiescence of the Board, appointing a receiver or receivers of all or any part of the Project or of the Revenues therefrom, of if such order or decree, having been entered without the acquiescence or consent of the Board, shall not be vacated or discharged or stayed on appeal within sixty (60) days after entry; or

(f) the Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Resolution or any Series Resolution on the part of the Board to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Board by the Trustee, which may give such notice in its discretion and shall give such notice upon the written request of the holders of not less than fifteen per cent (15%) in principal amount of the Bonds then outstanding.

Section 9.03. Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) in principal amount of the Bonds then outstanding shall, by a notice in writing to the Board, declare the principal, of all the Bonds then outstanding to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Bonds or in the Resolution or any Series Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, moneys shall have accumulated in the Bond Fund sufficient to pay all arrears of interest, if any, upon all the Bonds then outstanding (except the interest accrued on such Bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in the Resolution or any Series Resolution (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) in principal amount of the Bonds then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 9.04. Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than fifteen per cent (15%) in principal amount of the Bonds then outstanding hereunder shall proceed to protect and enforce its rights and the rights of the Bondholders under the laws of the Commonwealth of Kentucky or under the Resolution or any Series Resolution by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Resolution the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Board for principal, interest or otherwise under any of the provisions of the Resolution or any Series Resolution or of the Bonds and unpaid together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (solely from moneys in the Bond Fund and the Revenues of the Project pledged to the payment of the Bonds by the Resolution) in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 9.05. Anything in the Resolution to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds at the time outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 9.06. All rights of action under the Resolution or under any of the Bonds secured hereby enforceable by the Trustee, may be enforced by the Trustee

without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof on the trial or other proceeding relative thereto. Any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds and coupons, subject to the provisions of the Resolution. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee or of any holder of the Bonds to exercist any right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Article to the Trustee and the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.07. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for any remedy afforded by the Resolution unless such holder shall have previously given to the Trustee written notice of an event of default as hereinbefore provided, nor unless also the holders of twenty-five per cent (25%0 in principal amount of the Bonds then outstanding shall have made written request of the Trustee and shall have afforded the Trustee a reasonable opportunity either to proceed to exercist the powers hereinbefore granted or to institute such action, suit or proceedings in its or their name, nor unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, it being understood and intended that no one or more holders of Bonds shall have any right in any manner whatever by his or their action to enforce any right hereunder except in the manner herein provided.

ARTICLE X - Miscellaneous Provisions

Section 10.01. Whenever in the Resolution reference is made to the Board or any officers, agents or employees thereof such reference shall also be deemed to include the successors and assigns of the Board and its officers, agents and employees and all the covenants and agreements in the Resolution contained by or on behalf of the Board shall bind and insure to the benefit of such successors and assigns whether so expressed or not.

Section 10.02. If the Board shall have paid or cause to have been paid to the holders of the Bonds and coupons pertaining thereto issued pursuant to the provisions of the Resolution the principal, premium, if any, and interest to become due thereon at the time and in the manner stipulated in said Bonds and in the Resolution, all moneys or securities of the Board which are not required for the payment or redemption of the Bonds or coupons as aforesaid may be transferred to the Revenue Fund. All Bonds shall be considered to have been paid if and when there shall be on deposit in trust with the Trustee and Paying Agents for said Bonds and irrevocably appropriated exclusively to that purpose an amount of cash which shall be sufficient to retire at maturity or by redemption prior to maturity on the next succeeding date on which the said Bonds may be redeemed all of the Bonds outstanding at the time, together with interest thereon and premiums thereon that may be payable upon the redemption of the same; provided that proper notice of the redemption of all such Bonds to be redeemed shall have been previously published or provision shall have been irrevocably made for such publication, and provided further that the moneys for the payment of the principal of the Bonds so called and premium, if any, and interest thereon shall be available for immediate payment to the holders entitled thereto and notice of such immediate availability shall have been published or satisfactory provision shall have been made for such publication and further provided that all the necessary and proper fees, compensation and expenses of the Trustee and Paying Agents shall have been paid.

Section 10.03. Money held by the Trustee in trust for the payment and discharge of any of the Bonds or coupons which remain unclaimed for five (5) years after the date when such Bonds shall have become due and payable either at their stated maturity dates or by call for earlier redemption, if such moneys were held by said Trustee at such date or for five (5) years after the date of deposit of such moneys if deposited with the Trustee after the said date when such Bonds become due and payable, shall, at the written request of the Board, be repaid by the Trustee to the Board as the Board's property free from the trust created by the Resolution, and the Trustee shall thereupon be released and discharged with respect thereto, and the holders of the Bonds payable from such money shall look only to the Board for the payment of such Bonds and coupons.

Section 10.04. If any one or more of the covenants or agreements provided in the Resolution on

the part of the Board or of the Trustee or any Paying Agent to be performed shall be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements shall be deemed severable from the remaining covenants and agreements herein contained, and the invalidity thereof shall in no way affect the validity of the other provisions of the Resolution.

Section 10.05. All resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed insofar as such conflict exists.

Section 10.06. This resolution shall take effect immediately upon its adoption.

Adopted August 15th , 1960.

Wendell P. Butler
Chairman

Attest:

Etta J. Runner
Secretary

After a discussion and upon the recommendation of President Thompson, Mr. Harlin moved that the above Resolution be adopted. The motion was seconded by Dr. Edds. Upon said motion having been duly considered, the Vice Chairman of the Board put the question, and upon the roll being called, the following voted:

Aye: Mr. Poland, Mr. Lawrence, Mr. Harlin
Mr. Keen, Dr. Edds, Mr. Hammons, Mr.
Butler

Nay: NONE

Mr. Lawrence declared that the motion had carried and that such Resolution had been dully adopted.

Following the adoption of the Basic Resolution, President Thompson presented a Resolution authorizing the issuance of \$1,300,000 educational buildings revenue bonds to finance the construction of the science building. After preliminary remarks remarks by Messrs. Grafton and Conway, Mr. Harlin introduced and caused to be read in full the following Resolution, referred to as the Series A Resolution:

A RESOLUTION AUTHORIZING THE ISSUANCE
OF \$1,300,000.00 CONSOLIDATED EDUCATIONAL
BUILDINGS REVENUE BONDS, SERIES A, OF THE
BOARD OF REGENTS OF THE WESTERN KENTUCKY
STATE COLLEGE

WHEREAS, the Board of Regents of the Western Kentucky State College, by Resolution entitled:

"A RESOLUTION creating and establishing a Consolidated Educational Buildings Project of the Western Kentucky State College; creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Regents of the Western Kentucky State College; providing for the issuance from time to time of said bonds; providing for the payment of the principal of and interest on said bonds and repealing all resolutions or parts of resolution in conflict with this resolution."

adopted August 15, 1960 (hereinafter referred to as the "Resolution") has created and established an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Regents of the Western Kentucky State College; and

WHEREAS, the Resolution authorizes the issuance by said Board in one or more series pursuant to a resolution authorizing such series; and

WHEREAS, the Board has determined that it is in the best interest of the Board to issue at this time the initial series of Bonds to be designated "Consolidated Educational Buildings Revenue Bonds, Series A";

NOW, THEREFORE, the Board of Regents of the Western Kentucky State College hereby resolves, as follows:

ARTICLE I - Definitions and Authority

Section 1.01. This resolution (hereinafter referred to as the "Series A Resolution") is adopted in accordance with Article II, Section 2.03 of the Resolution.

Section 1.02.

(A) all terms which are defined in Article I of the Resolution shall have the same meanings, respectively,

in this Series A Resolution as such terms are given in said Article of the Resolution.

(B) In this Series A Resolution, Series A Bonds shall mean the Bonds authorized by Article II of this Series A Resolution.

Section 1.03. This Series A Resolution is adopted pursuant to the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes and the Resolution.

ARTICLE II - Authorization of Series A Bonds.

Section 2.01. Pursuant to the provisions of the Resolution there is hereby authorized to be issued by the Board of Regents of the Western Kentucky State College, in its corporate capacity, an initial series of Bonds in the aggregate principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000.00). Such Bonds shall be designated as "Western Kentucky State College Consolidated Educational Buildings Revenue Bonds, Series A." Said Series A Bonds are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution.

Section 2.02. Said Series A Bonds are being issued for the purpose of paying the cost of erecting an educational building with necessary appurtenances upon the property of the College in Warren County, Kentucky, consisting of a new science building, which, when erected, will become and constitute a part of the Consolidated Educational Buildings Project of said College.

Section 2.03. The Series A Bonds shall be dated August 1, 1960, and bear interest payable November 1, 1960, and semi-annually thereafter on May 1 and November 1 of each year at a coupon rate or coupon rates not exceeding the statutory maximum of six per cent (6%) per annum, the exact rate or rates of interest for said Series A Bonds to be fixed as a result of advertised sale and competitive bidding for said Series A Bonds, as hereinafter provided. Said Series A Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1-30	\$30,000.00	May 1, 1962
31-65	35,000.00	May 1, 1963
66-100	35,000.00	May 1, 1964
101-135	35,000.00	May 1, 1965
136-170	35,000.00	May 1, 1966
171-210	40,000.00	May 1, 1967
211-250	40,000.00	May 1, 1968
251-290	40,000.00	May 1, 1969
291-335	45,000.00	May 1, 1970
336-380	45,000.00	May 1, 1971
381-430	50,000.00	May 1, 1972
431-480	50,000.00	May 1, 1973
481-535	55,000.00	May 1, 1974
536-590	55,000.00	May 1, 1975
591-650	60,000.00	May 1, 1976
651-710	60,000.00	May 1, 1977
711-775	65,000.00	May 1, 1978
776-840	65,000.00	May 1, 1979
841-910	70,000.00	May 1, 1980
911-980	70,000.00	May 1, 1981
981-1055	75,000.00	May 1, 1982
1056-1135	80,000.00	May 1, 1983
1136-1215	80,000.00	May 1, 1984
1216-1300	85,000.00	May 1, 1985

Section 2.04. Said Series A Bonds shall be issued in coupon form, in the denomination of \$1,000.00, and shall be registrable as to principal only.

Section 2.05. The principal of and interest on said Series A Bonds shall be payable in any coin or currency of the United States of America, which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of Bowling Green Bank & Trust Company, in the City of Bowling Green, Kentucky, Trustee (or successor Trustee appointed pursuant to the provisions of the Resolution), or at the option of the holders of the respective Series A Bonds and coupons at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York, which are hereby appointed Paying Agents for the Series A Bonds.

Section 2.06. The Series A Bonds maturing May 1, 1971, and thereafter (being the Bonds numbered 336 and upwards) shall be subject to redemption by the Board in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) on any interest payment date on or after May 1, 1970, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1970 and prior to May 1, 1975	103%
On and after May 1, 1975 and prior to May 1, 1980	102%
On and after May 1, 1980 and prior to final maturity	101%

Section 2.07. Said Series A Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon. Interest on said Series A Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Series A Bonds, which coupons shall be executed with the facsimile of the official signatures of said Chairman and said Secretary.

Section 2.08. For the purpose of securing the payment of both the principal of and interest on all the Series A Bonds and to secure for the benefit of all the holders of said Series A Bonds the faithful performance of the covenants and provisions contained in the Resolution in the manner and to the extent as permitted and provided in the Resolution and in Sections 162.340, et seq. of the Kentucky Revised Statutes, Bowling Green Bank & Trust Company, in the City of Bowling Green, Kentucky, is hereby designated as Trustee under the Resolution for the holders of all of said Series A Bonds with the powers and duties set forth in the Resolution and with no liability in connection with any action or omission to act under the Resolution except for its own negligence or willful breach of trust. Execution of the authentication certificate of the Trustee on the back of the respective Series A Bonds shall conclusively establish the acceptance as to such Series A Bonds by the Trustee of the trusts and provisions with respect thereto as set forth in the Resolution.

Section 2.09. The Series A Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series A Bonds shall be in substantially the following respective forms, to-wit:

(FORM OF BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
WESTERN KENTUCKY STATE COLLEGE
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND
SERIES A

No. _____

\$1,000.00

The Board of Regents of the Western Kentucky State College, a body corporate, as an educational and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of One Thousand Dollars (\$1,000.00) on the first day of May, 19____, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ per cent (____%) per annum, such interest being payable November 1, 1960, and semiannually thereafter on the first days of May and November in each year, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of the Trustee, Bowling Green Bank & Trust Company, in the City of Bowling Green, Kentucky, or, at the option of the holder hereof or of the interest coupons hereunto appertaining, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Revenue Bonds" (hereinafter referred to as the "Bonds") issued and to be issued under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect, and under and pursuant to the Resolution adopted by the Board of Regents on August 15th, 1960 (hereinafter referred to as the "Resolution") and the Series A Resolution adopted by the Board of Regents on August 15th, 1960.

As provided in the Resolution, the Bonds may be issued from time to time pursuant to separate resolutions in one or more series, in various principal amounts, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Revenue Bonds, Series A", (herein called the "Series A Bonds") issued in the aggregate amount of \$1,300,000.00 under the Resolution for the purpose of financing the cost of erecting an educational building and necessary appurtenances as a part of the Consolidated Educational Buildings Project of said College (hereinafter referred to as the "Project"). Copies of the Resolution and the Series A Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which Bowling Green Bank & Trust Company, in the City of Bowling Green, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one and for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds; the rights, duties and obligations of said Board of Regents, and of the Trustee, and the rights of the holders of the Bonds; and by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Resolution. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond or in the Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Resolution or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Resolution, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Resolution. The Resolution provides for fixing, charging and collecting fees for the services of said Project, which fees will be sufficient to pay the principal of, and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues of said Project to pay interest on the Bonds as the same become due and to pay or retire the principal of the Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest.

The issue of Series A Bonds of which this Bond is one and all other Bonds as may be outstanding from time to time under the Resolution, are payable only from a fixed amount of the gross Revenues derived from the Operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute any indebtedness of the Western Kentucky State College or of its Board of Regents or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series A Bonds maturing May 1, 1971, and thereafter (being the Bonds numbered 336 and upwards) shall be subject to redemption at the option of the Board of Regents in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) on any interest payment date on or after May 1, 1970, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1970 and prior to May 1, 1975	103%
On and after May 1, 1975 and prior to May 1, 1980	102%
On and after May 1, 1980 and prior to final maturity	101%

In the event the Board of Regents shall exercise its option to redeem any of the Series A Bonds of which this Bond is a part, notice of such redemption identifying the Bonds to be redeemed will be given to the Trustee at least forty-five (45) days prior to the specified redemption date and such notice shall be published at least once not less than thirty (30) days prior to the specified redemption date in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Regents at the office of the Trustee under the Resolution, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder or his duly authorized representative, but this Bond may be dis-

charged from registration by being in like manner registered to bearer whereupon full negotiability and transferability by delivery shall be restored but may again from time to time be registered as aforesaid. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Regents, the Trustee, and the Paying Agents may treat the bearer of this Bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this Bond be so registered, or if this Bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of making payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project is created and granted to and in favor of the holder or holders of this Bond and the issue of Bonds of which it is one, and in favor of the holder or holders of the coupons attached thereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest of this Bond and the issue of Bonds of which it is one.

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit, under the Resolution, until it shall have been authenticated by the execution by the Trustee of the certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Regents and of said Western Kentucky State College, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on this Bond and the issue of which it is one, and all other bonds which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Regents of the Western Kentucky State College has caused this Bond to be executed on its behalf by the reproduced facsimile signature of its Chairman, and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its

Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, all being done as of the first day of August, 1960.

Chairman, Board of Regents
Western Kentucky State College

(SEAL)

ATTEST:

Secretary, Board of Regents

(FORM OF COUPON)

Number _____ \$ _____

On the first day of _____, 19____, *(unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for) the Board of Regents of the Western Kentucky State College, at Bowling Green, Kentucky, will pay to bearer

_____ Dollars (\$ _____)
in any coin or currency which at the time of payment thereof is legal tender for the payment of public and private debts out of its "Consolidated Educational Buildings Project Bond and Interest Sinking Fund," at the principal office of Bowling Green Bank & Trust Company, in the City of Bowling Green, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York, as provided in and for interest then due on its Consolidated Educational Buildings Revenue Bond, Series A, dated August 1, 1960, Number _____.

Chairman, Board of Regents
Western Kentucky State College

Secretary, Board of Regents

(* The phrase in parenthesis should appear only in coupons maturing on and after November 1, 1970, attached to Bonds Numbered 336 to 1300, inclusive).

(FORM OF AUTHENTICATION CERTIFICATE)

This Bond is one of the Bonds described or provided for in the within-mentioned Resolution.

BOWLING GREEN BANK & TRUST COMPANY,
Trustee

By _____
Authorized Officer

(FORM OF REGISTRATION TO BE PRINTED ON THE BACK OF
EACH SERIES A BOND)

Date of Registration	Name of Registered Holder	Signature of Authorized Officer of Trustee
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:

Section 2.10 The Secretary of the Board is hereby authorized and directed to cause an appropriate form or forms of a notice of sale of the Series A Bonds to be published in the Louisville Courier-Journal, a legal newspaper published in the City of Louisville, Kentucky, which will afford state-wide notice of the sale and in The Daily Bond Buyer, a financial journal published in the City of New York, New York, which is a publication having general circulation among bond buyers and said newspaper and financial journal are hereby declared to be qualified to publish such notice for the Board of Regents within the meaning and provisions of KRS Chapter 424. Such notices shall be published in said newspaper and financial journal at least once and shall appear not less than seven days nor more than twenty-one days prior to the scheduled date of sale of said Series A Bonds. Such notices shall be in the customary form and shall specify that sealed competitive proposals for the purchase of such Series A Bonds shall be received at a designated place and until some day and hour when the Board will be in session. A minimum bid of 98% of par plus accrued interest shall be required. The right to reject any or all bids shall be expressly reserved. On the occasion set forth in such notice the Board shall consider all proposals made pursuant to such notice, award the Series A Bonds in the manner and for the purposes herein provided, establish the interest coupon rate or rates which the Series A Bonds shall bear, and take all other necessary and proper steps in the sale and issuance of the said Series A Bonds.

The Secretary may cause to be prepared multiple copies of a statement giving a more complete and particular description of the Series A Bonds, provisions for the security and payment thereof, disposition of bond proceeds and other information that is not possible to give within the limits of the published notices, and furnish copies of such statement to all interested bidders upon request. Such statement may contain a particular description of the terms and conditions upon which the Series A Bonds are offered for sale, in order to bring about uniformity in the proposals which may be submitted for the purchase of said Series A Bonds.

Section 2.11. There is hereby established in the State Treasury of the Commonwealth a Construction Account to be designated "Western Kentucky State College Consolidated Educational Buildings Project - Bond Proceeds Series A Construction Account." Immediately upon the issuance, sale and delivery of the Series A Bonds all sums received as accrued interest together with a sufficient portion of proceeds from the sale of the Series A Bonds equal in the aggregate to all interest to accrue on said Series A Bonds to and including August 1, 1961, shall be deposited by the Treasurer in the Bond Fund and which amount is hereby determined by the Board as necessary to pay the interest on the Series A Bonds during the erection of the educational building for account of which said Series A Bonds are herein authorized. The balance of the bond proceeds shall be transmitted by the Treasurer to the Treasurer of the Commonwealth with advice that the same is tendered for deposit in said Construction Account and shall be disbursed by the Treasurer of the Commonwealth according to such inspection, audit and disbursement procedures as may from time to time be provided by law for the purpose of paying the cost of erecting the educational building and necessary appurtenances as identified in Section 2.02 of this Series A Resolution in accordance with the approved plans and specifications therefor, and only upon certification of the Architect or Engineer having supervision of construction, as to each disbursement, that the amount thereof has been duly earned by and is payable to the designated party or parties for materials, services and/or labor furnished pursuant to proper contract duly awarded therefor. Any balance remaining in said Construction Account after the erection of said educational building and the payment of all costs in connection therewith shall be deposited in the Bond Fund; provided, however, that if proceedings are then pending or imminently contemplated for the construction or completion of one or more additional educational buildings, which are or will be financed by issuance of additional Series Bonds pursuant to the Resolution, and which building or buildings constitute or will constitute a part of the Consolidated

Educational Buildings Project, any such unexpended balance may be taken into account in determining the amount of Bonds to be authorized therefor, or may otherwise be applied to the proper costs thereof, in which event such unexpended balance may, upon authority of the Board be transferred to the Series Construction Account thereof.

Section 2.12. A certified copy of the Resolution and a certified copy of this Series A Resolution shall be filed with the Trustee and this Series A Resolution shall take effect immediately upon its adoption and the filing of the certified copy thereof with the Trustee.

ADOPTED August 15, 1960.

Chairman, Board of Regents
Western Kentucky State College

ATTEST:

Secretary

After a discussion and upon the recommendation of President Thompson that the Board of Regents complete the machinery whereby advertisement for the sale of the bonds could be made immediately, as specified by law, in order that the bonds could be sold on September 1, Mr. Harlin moved for the adoption of the Series A Resolution. The motion was seconded by Mr. Poland. Upon said motion having been duly considered, the Vice Chairman of the Board put the question, and upon the roll being called, the following voted:

Aye: Mr. Poland, Mr. Lawrence, Mr. Harlin,
Mr. Keen, Dr. Edds, Mr. Hammons, Mr. Butler

Nay: None

Mr. Lawrence declared that the motion had carried and that such Resolution had been adopted.

The fiscal agents circulated to all members of the Board, the final proof copies of the proposed printed Official Statement and of the proposed "Notice of Sale of Bonds" and of the proposed "Official Bid Form," all of which were examined and made the subject of discussion by the Board; thereafter, Mr. Keen moved adoption of a motion approving said instruments as to conform in substance and authorizing the officials of the Board and

of the College to sign the same, as appropriate; and that the fiscal agents be authorized to cause the instruments to be published and disseminated in accordance with their importance. The motion was seconded by Mr. Hammons and upon the roll being called, the vote was as follows:

Aye: Mr. Poland, Mr. Lawrence, Mr. Harlin,
Mr. Keen, Dr. Edds, Mr. Hammons, Mr. Butler.

Nay: None

Before Miss Fleischer and Messrs. Grafton and Conway retired from the meeting, it was determined that a quorum of members of the Board of Regents would be present for the special called meeting to be held on Thursday, September 1, at 1:00 p.m., CDST, in Louisville as set forth in Chairman Butler's letter to each member, dated August 12, 1960.

The next item of business was a report by President Thompson on the new dormitory for men, which is identified as Project No. CH-Ky-41(D). The contract for this 4-story dormitory, which was awarded to the Leo C. Miller Company, will accommodate 204 students and will contain feeding facilities for 300 people. Construction started on August 11. A statement of the breakdown construction cost, total cost, and other pertinent information was given to each member.

The President reviewed a number of recent construction projects, some of which have been completed and others which are underway. His review included the source of funds for each of the following projects:

<u>Project</u>	<u>Cost</u>	<u>Source of Funds</u>
Fire escape, new entrance Cherry Hall	\$10,000.00	Division of Insurance grant
New entrance, heating plant Cherry Hall and other roof repairs	2,000.00 10,000.00	Western Budget Commissioner of Finance grant
New auxiliary boilers	3,200.00	Commissioner of Finance grant
Expansion of Dean's Office	700.00	Western Budget, Maintenance unallotted
West Hall apartment	400.00	Western Budget, Maintenance unallotted
New telephone system	Monthly rental	Western Budget, Operations
New IBM system	Monthly rental	Western Budget, Operations
Erection of additional street light standards	2,984.00	Western Budget
Repairing and painting of flood- light standards at stadium	460.00	City Schools and Western
Tuck pointing, heating plant	972.00	Commissioner of Finance grant

A schedule of new personnel for the 1960-61 school year was distributed to each Board member. No action was necessary inasmuch as the Board had authorized the employment of personnel named subsequent to the last meeting of the Board on May 18, 1960.

Upon the recommendation of President Thompson, the motion was made by Mr. Hammons that the salary level of new personnel holding doctoral degrees be adjusted upward from \$7,000.00, as approved on May 18, 1960, to \$7,200.00. The motion was seconded by Mr. Harlin, and upon roll call the vote was as follows:

Aye: Mr. Poland, Mr. Lawrence, Mr. Harlin,
Mr. Keen, Dr. Edds, Mr. Hammons, Mr. Butler

Nay: None

President Thompson submitted to the Board a recommendation for an increase in graduation fee, effective June 1, 1961. He proposed that the \$6.00 fee for the Bachelor's degree be increased to \$10.00, and that the present fee of \$10.00 for the Master's degree be increased to \$20.00. Mr. Keen moved the adoption of the recommendation, as outlined by President Thompson. The motion, seconded by Mr. Harlin, carried unanimously.

President Thompson advised that preliminary planning for a proposed new physical education building had been approved by the State, and that Frank Cain and Ben Johnson, Associated Architects, had been employed for the programming phase of this project. The President stated that two sites are under consideration.

President Thompson commented briefly on the anticipated increase in enrollment for this fall and the critical student housing situation. The 1960 summer school was described by the President as the best in the history of the College, both from the stand point of enrollment and the quality of the students.

President Thompson stated that in connection with the construction of the new dormitory to house approximately 204 male students and two married faculty members, as to the financing of which the College is in the process of issuing \$625,000 of its bonds, it was desirable to amend the previous Resolution adopted on May 18, 1960, to take advantage of a law which became effective on June 17, 1960, permitting the bond sale notice to be published only one time in a newspaper of general circulation throughout Kentucky. Thereupon Mr. Keen introduced and caused to be read in full the following Resolution:

A RESOLUTION AMENDING "A RESOLUTION OF THE BOARD OF REGENTS OF WESTERN KENTUCKY STATE COLLEGE AUTHORIZING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$625,000 OF WESTERN KENTUCKY STATE COLLEGE DORMITORY REVENUE BONDS OF 1959, DATED JULY 1, 1959, TO PAY THE COSTS OF CONSTRUCTING AN ADDITIONAL DORMITORY UPON THE CAMPUS OF THE COLLEGE."

WHEREAS, it is deemed economical and desirable that Western Kentucky State College amend the Resolution adopted on May 18, 1960, authorizing \$625,000 of Western Kentucky State College Dormitory Revenue Bonds of 1959, dated July 1, 1959, as is hereinafter set out,

NOW, THEREFORE, THE BOARD OF REGENTS OF WESTERN KENTUCKY STATE COLLEGE HEREBY RESOLVES AS FOLLOWS:

Section 1. The previous resolution adopted on May 18, 1960, the title of which is contained in the title of this resolution, is hereby amended to provide that the notice as to the sale of \$625,000 of Western Kentucky State College Dormitory Revenue Bonds of 1959, dated July 1, 1959, be published one time in the newspaper designated by the Department of Finance of Kentucky pursuant to KRS 424.180, instead of three times, as in such resolution previously adopted.

Section 2. That all other provisions of such resolution adopted on May 18, 1960, shall continue in full force and effect.

Chairman, Board of Regents of
Western Kentucky State College.

(Seal)

Attest:

Secretary

and moved that all rules be suspended and that such proposed Resolution be adopted, which motion was duly seconded by Mr. Harlin. Upon such motion being duly considered, the Vice Chairman of the Board of Regents put the question and upon the roll being called the following voted:

Aye: Mr. Poland, Mr. Lawrence, Mr. Harlin,
Mr. Keen, Dr. Edds, Mr. Hammons, Mr. Butler

Nay: None

Thereupon, the Vice Chairman of the Board of Regents declared that the motion had carried and that such resolution had been duly adopted.

There being no further business to come before the meeting and on motion made by Mr. Hammons and seconded by Mr. Poland, the meeting adjourned.

Edna Hammons
Secretary

J. B. Lawrence
Vice Chairman